



May 8, 2009

BY FACSIMILE (202) 514-2836

Registration Unit
Counterespionage Section, Criminal Division
U.S. Department of Justice
Washington, D.C. 20530

Re: Ketchum Inc. (Registration #5758) – Informational Materials

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If you require additional information, please feel free to contact me at 646-935-4058.

Regards,

A handwritten signature in black ink, appearing to read "CM".

Craig Mersky
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Below please find a transcript from the joint news conference held by Minister Lavrov and Secretary Clinton after their meeting Thursday.

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SECRETARY CLINTON: Well, good afternoon. Welcome to the Benjamin Franklin Room here in the State Department. Foreign Minister Lavrov and I have just concluded another very constructive meeting. It built on the discussions we started several months ago in Geneva and obviously was very much part of the work that both of our presidents assigned to their respective governments coming out of the London summit.

We had serious and open exchanges about areas of common concerns and are looking forward to Moscow in July when President Obama and President Medvedev will meet. We're making progress on our agendas and there are a number of important issues for the United States and Russia to discuss. In fact, our negotiators met again this week to discuss a replacement for the START treaty in order to meet our shared commitment to the responsible management of our nuclear arsenals. Our negotiators are hard at work. We're also proceeding with other initiatives to help stop – or to stop the spread of nuclear weapons and to safeguard fissile materials. The foreign minister and I discussed how we can, through our own efforts together, set a standard and an example to improve the security of nuclear facilities and prevent the proliferation of nuclear materiel around the world.

We exchanged views on a range of important issues, from Afghanistan, North Korea, the Middle East, Iran, so many other areas where we have common interests and common concerns, even on areas where our views may diverge. We both want to achieve stability and security in Georgia. We are both committed to the NATO-Russia Council to open up another important channel of dialogue. And we are very focused on making sure that the United States and Russia have a very vigorous ongoing dialogue among our two governments. Now Russia has just assumed the presidency of the United Nations Security Council and will be leading some important efforts there. We look forward to working with you on piracy and other matters.

Our bilateral agenda is expanding to include the financial crisis, our changing climate, and the Arctic. These are areas where we think it is in our interest to cooperate and it is in the interest of the world that the United States and Russia do so.

I'm very grateful to Foreign Minister Lavrov for coming here today to the State Department. I will be accompanying him to the White House after lunch for him to spend some time with the President. And we're very committed and looking forward to our ongoing relationship. So again, Minister Lavrov, welcome.

FOREIGN MINISTER LAVROV: (Via interpreter) First of all, I would like to thank Secretary of State Hillary Clinton for the warm reception for a very productive round of talks devoted primarily to fulfilling the instructions of the two presidents, President Medvedev and President Obama, embodied in their joint statements, adopted at the meeting on April 1st in London.

And today, we have, in great detail, assessed progress in fulfilling those instructions. In the context of preparing for the summit in Moscow in July later this year, we have agreed that very, very soon, we will announce the concrete date of this forthcoming meeting in accordance with the tasks set for us by the presidents. We have attached great importance in our negotiations to strategic stability, including the preparation of a new arrangement that will replace START I, which will expire in early December later this year.

Also, we have spent some time discussing our challenges in missile defense, where the two presidents have expressed their wish for us to find a foundation for our joint collaborative efforts. We have reaffirmed this interest in our – at our – today's meeting, of course. And this has been mentioned by the Secretary of State already.

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We have a lot to do in the field of nuclear nonproliferation. This is a field which is one of the most successful areas of our cooperation. And today, we have outlined some preliminary steps which will enable us to strengthen security around the world, which will allow us to lower the risks of nuclear proliferation around the world. Russia and the United States, as the two largest nuclear powers, are able to get at the helm of this business and engage others in collaboration. In the context of our agenda, we have looked at prospects of preparing the conditions for progress on the Iranian nuclear program. We also need to resume our negotiations on the nuclear issue of the Korean Peninsula.

As far as regional issues are concerned, the Middle East is one of the priorities, and we are grateful to our American colleagues for their support for the forthcoming special meeting of the UN Security Council on the Middle East, which will take place on May 11th.

Afghanistan is one of the priorities for the Obama Administration. We realize the importance of this line of work in American foreign policy, since success or failure on this track will have repercussions for strengthening security in this key region of the world. And of course, Russia will continue to support action of ISAF. It will actively support the growing interest with a regional factor in the settlement process, which is demonstrated now by the Obama Administration.

We have discussed the outcomes of the exchanges that took place yesterday in Washington with the leaders of Afghanistan and Pakistan, and we believe it is a very important step in our joint efforts. We welcome the initiative of the United States President in this regard.

Among the President's instructions, there were issues of Euro-Atlantic security, including in the context of President Medvedev's initiative, which he put forward last year. And we have agreed to continue dialogue on this issue at appropriate fora, including the OSCE and the NATO-Russia Council. And we hope that in the nearest – in the very near future, any obstacles in the resumption of the work of the NATO-Russia Council – and such obstacles are absolutely artificial – we hope that they will be removed very soon, and we hope that this very important structure will resume its work based on the principles which were agreed upon before it was founded.

We have a lot of work to do in the field of economic cooperation. We want more investment both ways. We want more interaction in the high tech field. And today, we have looked at ways to support the business communities in the two countries, including creating the necessary intergovernmental mechanisms for such support.

On the whole, our negotiations have been very constructive, and this is characteristic of our two presidents. The style is characteristic of our two presidents. And it is important, in order to implement the positive agenda of the U.S.-Russian relations, we need to normalize this relationship, we need to get rid of any negative heritage from the past. And we need to raise our relationship to a new level. I absolutely agree with the Secretary of State in that we are not turning a blind eye to the difficulties that exist. Of course, they're natural for relations between any major powers.

But what is fundamentally important is that we openly and sincerely discuss those differences, and we seek to find solutions that would take into account the interests of all parties concerned that would allow us to reach compromise. This is the practical implementation of the equitable efforts that our presidents have agreed upon, and I am looking forward to the forthcoming months with optimism, in the course of which we will prepare for the Moscow summit. I hope that our efforts will be successful. Thank you.

MODERATOR: We'll go with four questions. First question is from Sue Pleming with Reuters.

QUESTION: You both symbolically hit the reset button in Geneva, but the results so far appear to be mixed. Secretary Clinton, are you concerned over Russia's role in Georgia, and also its sphere of influence?

And Foreign Minister Lavrov, could NATO's exercises in Georgia and U.S. support for ultimate NATO membership for Georgia and Ukraine poison arms control talks such as those involving START?

SECRETARY CLINTON: Well, first let me say that because we have such a comprehensive agenda, we are moving on many issues simultaneously. And we judge each issue on its merits. They are part of our ongoing relationship, which, as Minister Lavrov said, is very productive and constructive.

We have expressed on several occasions our concerns about Georgia. We have had the opportunity to discuss the conditions on the ground there and the need for stability. And I believe

that Minister Lavrov as well as the Russian Government recognize that stability and a peaceful resolution to the tensions in Georgia is in everyone's interest.

But it is, I think, old thinking to say that we have a disagreement in one area, therefore we shouldn't work in something else that is of overwhelming importance. That's just not the way we think. If you look at what we're doing on START and nonproliferation, that has to do with the future safety of the world, and the United States and Russia bear a special responsibility. So we are working very hard together. Where we disagree, which all great countries disagree – people in families disagree – is to see how we can lower the tensions, look for, as Minister Lavrov said, compromise, find practical solutions. So we discuss all of these issues.

But at the end of the day, we have a responsibility to fulfill the directives that our presidents gave when they set forth their statement, which represented a comprehensive approach to many issues that we can work well together on.

FOREIGN MINISTER LAVROV: (Via interpreter) I can only add that the task of further reductions of strategic offensive weapons is too important, both for Russia and the United States and for the entire world, in fact, to make it hostage of any particular regime anywhere around the globe. As far as the situation in the Caucasus, especially in the South Caucasus, we have discussed it today. True, we do have obvious differences. We do not conceal those. But we agree on one thing: We need to do our best in order to achieve stability there. This is what the Secretary of State has just said.

And we also agree that we need to contribute in every possible way to preventing any new outbreaks of ethnic tension. We need to facilitate the establishment of procedures to ensure the observance of human rights. And of course, international organizations, including the UN, can play their role. The UN has worked in Georgia and Abkhazia for quite a while. And of course, the OSCE has a role to play. It should not be disregarded. And the negotiations that will take place in Vienna in order to find mutually acceptable arrangements will make it possible to resume the presence of the OSCE. In South Ossetia, of course, we need to find parameters that would be acceptable for all those who will be performing their missions, who will be receiving relevant missions in their respective territories.

QUESTION: (Via interpreter) TV Channel Russia. My question is to both the minister and the Secretary of State. Over the past year, we have piled up a lot of sensitive issues in the U.S.-Russian relations. We have – you have mentioned some of them, such as the deployment of elements of missile defense in Eastern Europe, economic issues, regional policy issues. How would you characterize the priorities? How would you prioritize these issues? And do you have scenarios to resolve all these issues?

SECRETARY CLINTON: Well, that is why Minister Lavrov and I are working so hard together to create a mechanism and a framework for us to address as many of these important issues as possible. There are many priorities. I think, as you can tell from listening to the two of us, our leadership in the area of arms control and nonproliferation is of such profound global concern that that is at the top of the list.

But there are so many other important matters that we are dealing with. And one of the areas that we discussed today is how we're going to suggest to our presidents for their summit a way forward. Because I couldn't agree more with what Sergey said; we want to normalize the relationship and raise it to a new level.

And we are involved both bilaterally and through groups like P-5+1, the Quartet, and, of course, the larger multilateral groups like OSCE or the United Nations. And we're going to work in each of those fora to try to see how much leadership and cooperation we can provide.

Speaking just for myself, the number of challenges facing the world right now needs the best thinking from people all over the world. And I have a great deal of respect and regard for my counterpart in Russia and for the Russian people and for the kind of contribution that we can make together if we keep working with each other, and we think forward, not backward. And that's what we're trying to do.

FOREIGN MINISTER LAVROV: (Via interpreter) Since this question was addressed to both of us, I would like to add a couple of words. I fully agree with what has just been said by the Secretary of State. We should now, within the framework of resetting our relationship, create new mechanisms that would function in a mode that will enable us to progress on all tracks, be it political dialogue or military cooperation or regional conflicts or the situation in the world in

general. We need to be able to agree to address tasks on which we agree, and we need to lower the number of issues on which we disagree. This is what we're talking about.

Now, as far as missile is concerned, I would like to correct you a little bit. You have said that the deployment that has started. No, this deployment has not started there yet. And as we know, the strategic review which is now pursued by the Obama Administration is still underway and it covers the issue of missile defense. Our American partners have reaffirmed to us that within the framework of this review, they are looking at proposals that Russia has put forward. These include the well-known proposal that President Putin put forward in July of 2007, and those are – there are additional initiatives that we have also given to our American colleagues recently, in particular, in the course of my previous meeting with Hillary. We have an interest in achieving agreements that would be a common denominator both for Russia and the United States and our shared European partners.

QUESTION: Minister Lavrov, Secretary Clinton assured the U.S. Congress earlier this month that the United States has successfully laid the groundwork with its P-5+1 allies for – quote, unquote – “crippling” international sanctions against Iran in the event that Tehran fails to suspend its pursuit of a nuclear weapons capability. Is that true? Because the last time that you were heard from on this subject was when you, speaking for the Russian Government, stated on April 11 – quote – “It would be unrealistic to expect us to raise pressure on Iran.” So which is it, sir?

SECRETARY CLINTON: Well, I have to slightly correct my reporter, Sergey, since you slightly corrected your reporter. See, we are very mutually reinforcing.

We are in the process of laying the groundwork for making the case for tougher sanctions. We have not laid the groundwork. And I think that the case that we're making to our partners in the P-5+1 is to reach out to Iran, which we agreed to do, and have made a proposal to the Iranians. But we are very watchful as to how Iran responds, and we will continue to consult with and hope that we can make progress based on the kind of proposals that we're interested in pursuing.

FOREIGN MINISTER LAVROV: (Via interpreter) I would like to add that as far as the Iranian nuclear program is concerned, there are many aspects there, which is equally true of the sanctions which apply to Iran. It is not that simple. There are collective decisions adopted in the United Nations Security Council, and those oblige all countries in the world to behave in a particular way and to fulfill certain requirements.

But there are also unilateral sanctions that the United States or the European Union have imposed in addition to the United Nations Security Council with regard to Iran. We do not think that this does not fully help to live up to the challenge. We keep telling our partners that unilateral sanctions are not in line with our collective actions. But those decisions are made by the United States or the European Union.

As far as they are concerned, we are going to adhere to the agreements reached within the format of P-5+1. Those arrangements quite recently were supplemented significantly and were developed significantly at the meeting of the representatives of the six countries in London, and those proposals have been conveyed to the Iranian side. We have heard from Iran something to the effect that Iran does not oppose these proposals. Iran has its own proposals which we are ready to discuss. And currently, we can see the taking shape of preconditions that will make it possible to prepare for real negotiations based on the proposals that we have on the table.

I have never said that we are against any pressure on Iran. I have just said that we did not see the meaning, the sense in any harsh sanctions against Iran. But as far as pressure is concerned, if we understand by pressure, the efforts aimed at convincing Iran to return to the negotiations table – we are applying such efforts in an active and robust manner.

Ria Novosti, please.

QUESTION: (Via interpreter) Mr. Lavrov, to sum up the results achieved in the recent period since the pushing of the famous button, what, in concrete terms, has been achieved in our relations?

(In English) As far as I remember, your husband has succeeded in dealing with North Korea by sending Madeleine Albright to Pyongyang where she joined the company of Kim Jong-il at a reception party nine years ago. Is it possible that you will also go to Pyongyang to try to find a solution on the spot of the current crisis? Thank you.

SECRETARY CLINTON: Well, that's what Sergey was doing in North Korea. He was advancing my trip. (Laughter.) No, I have no plans of going to North Korea. We will be sending our Special

Envoy, Ambassador Bosworth, out to the region to discuss our next steps. I agree with Minister Lavrov's perspective after his recent visit that we have to try to get the North Koreans back into the Six-Party Talk framework and continue the denuclearization of the Korean Peninsula. We may have to show some patience before that is achieved. But we agree on the goal that we are aiming for.

FOREIGN MINISTER LAVROV: (Via interpreter) Coming back to your first question, in our introductory remarks, we gave our assessment of what has been achieved. Just to sum up very briefly, in an unprecedentedly short period of time, we have been able to prepare two key documents that have been approved by Presidents Medvedev and Obama at their first meeting in London. Those are not just statements containing kind and nice words addressed to each other. Those are substantive documents that chart the course of our further joint efforts for our relationship to reach a qualitatively new level in the interest of our people, in the interest of international stability. And the fact that the documents were adopted is something which I consider a great result of the efforts that we have undertaken, and this is not it. It is one thing to set a task. It is a totally different thing to fulfill this task. Therefore, a lot of efforts will still need to be made. Therefore, we have a schedule of expert meetings and other meetings that we have agreed upon today, and will require that our people adhere to this schedule.

But the outcome – the main outcome of the first summit meeting between President Obama and President Medvedev is that they have registered the level of trust for each other. They have registered the level of effort on both sides towards consensus. And for us, this is a directive which we are fulfilling. Thank you.

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